

AMENDED IN SENATE JULY 1, 2014  
AMENDED IN SENATE JUNE 11, 2014  
AMENDED IN ASSEMBLY APRIL 21, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2764**

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**Introduced by Committee on Natural Resources (Chesbro (Chair),  
Garcia, Muratsuchi, Skinner, Stone, and Williams)**

March 27, 2014

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An act to amend Section 126 of the Government Code, to amend Section 39512.5 of the Health and Safety Code, to amend Sections ~~6306, 8750~~, *6306* and 48020 of the Public Resources Code, and to amend Section 1 of Chapter 321 of the Statutes of 1961, relating to public resources, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2764, as amended, Committee on Natural Resources. Public resources.

(1) Existing law establishes the State Lands Commission in the Natural Resources Agency and prescribes the functions and duties of the commission. Under current law, the State Lands Commission cedes concurrent criminal jurisdiction to the United States with regard to specified properties.

This bill would revise and recast these provisions and make technical and organizational changes.

(2) Existing law requires that every local trustee of granted public trust lands, as defined and except as provided, file with the State Lands Commission, on or before October 1 of each year, a detailed statement of all revenues and expenditures relating to its trust lands and trust

assets, as prescribed, including obligations incurred, but not yet paid, covering the fiscal year preceding the submission of the statement.

This bill instead would require the statement to be filed with the commission on or before December 31 of each year.

(3) The California Integrated Waste Management Act of 1989, requires the Department of ~~Resources, Recycling,~~ *Resources Recycling* and Recovery, to initiate a program for the cleanup of solid waste disposal sites and for cleanup of solid waste at codisposal sites where no responsible party is available to pay for timely remediation, and where cleanup is needed to protect public health and safety or the environment. For purposes of this program, existing law defines “solid waste disposal,” “dispose,” or “disposal” to mean the final disposition of solid wastes onto land. Existing law establishes the Solid Waste Disposal Site Cleanup Trust Fund and provides that moneys in the fund are continuously appropriated for purposes of the program.

This bill would provide that, for purposes of the program, solid waste disposal sites may include sites located in waters of the state. By expanding the purposes of a continuously appropriated fund, the bill would make an appropriation.

~~(4) The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act generally requires the administrator for oil spill response, acting at the direction of the Governor, to implement activities relating to oil spill response, including emergency drills and preparedness, and oil spill containment and cleanup, and to represent the state in any coordinated response efforts with the federal government. Existing law imposes various administrative civil and criminal penalties on a person that violates specified provisions of the act. The act, for purposes of specified provisions primarily under the jurisdiction of the State Lands Commission, defines marine waters to exclude waters in the Sacramento-San Joaquin Rivers and Delta, as specified.~~

~~This bill would no longer exclude from the definition of marine waters for this purpose the waters in the Sacramento-San Joaquin Rivers and Delta and would further revise the definition of marine waters to include waterways used for waterborne commercial vessel traffic to the Port of Sacramento and the Port of Stockton. By expanding the scope of crimes within the act, this bill would impose a state-mandated local program.~~

~~(5)~~

~~(4) Existing law authorizes a grant in the form of a trust of specified tidelands and submerged lands to the County of Orange, subject to~~

certain restrictions, including that the lands remain available for public use.

This bill would modify the terms of the grant to change the conditions for expenditures by the trust and to permit the trustee to acquire additional property in order to further the purposes of the trust, if specific conditions are met.

(6)

(5) Existing law establishes the State Air Resources Board, which is responsible for control of emissions from motor vehicles and is designated the air pollution control agency for all purposes set forth in federal law. Existing law requires the state board to consist of 12 members, who are appointed based on certain qualifications. Existing law provides for the compensation of those members.

This bill would correct an erroneous cross-reference to clarify that certain members of the state board are prohibited from receiving compensation for serving on the state board, but are required to be reimbursed for their actual and necessary expenses, as specified.

~~(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: ~~yes~~ no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 126 of the Government Code is amended
- 2 to read:
- 3 126. (a) Notwithstanding any other provision of law, general
- 4 or special, the Legislature of California, acting through the State
- 5 Lands Commission, hereby cedes concurrent criminal jurisdiction
- 6 to the United States within lands identified and held by the United
- 7 States upon and subject to each and all of the following express
- 8 limitations, conditions, and reservations, in addition to any other
- 9 limitations, conditions, or reservations prescribed by law:
- 10 (1) Before making a cession, the State Lands Commission shall
- 11 make the following findings:
- 12 (A) The United States has requested in writing the state to cede
- 13 concurrent criminal jurisdiction within the identified lands.

(B) The lands are held by the United States for the erection of forts, magazines, arsenals, dockyards, and other needful buildings within the purview of clause 17 of Section 8 of Article I of the United States Constitution, or for any other federal purposes. For purposes of this section, lands held by the United States are defined as: (i) lands acquired in fee by purchase or condemnation, (ii) lands owned by the United States that are included in the military reservation by presidential proclamation or act of Congress, (iii) any other lands owned by the United States, including, but not limited to, public domain lands that are held for a public purpose, and (iv) leaseholds acquired by the United States over private lands or state-owned lands that are held for a public purpose.

(C) The cession is made pursuant to and in compliance with the laws of the United States.

(D) A notice of the proposed cession has been given to the clerk for the board of supervisors of the county in which the federal lands are located at least 15 days before the proposed cession.

(E) The proposed cession is in the best interests of the State of California.

(F) The United States has agreed to bear all costs and expenses incurred by the State Lands Commission in making the cession.

(2) The cession shall continue only so long as the lands are owned by the United States and used for the purposes for which jurisdiction is ceded or for 10 years, whichever period is less.

(3) The cession shall be made at a publicly noticed meeting of the State Lands Commission. The cession shall vest when the State Lands Commission has received notice of the United States' acceptance of the cession and certified copies of the State Lands Commission's orders or resolutions making the findings described in paragraph (1) have been recorded in the office of the county recorder of each county in which any part of the land is situated. The State Lands Commission shall keep copies of its orders or resolutions in its records and make them available to the public upon request.

(b) In ceding concurrent criminal jurisdiction, the Legislature and the state reserve jurisdiction over the land, water, and use of water with full power to control and regulate the acquisition, use, control, and distribution of water with respect to the land affected by the cession.

1 SEC. 2. Section 39512.5 of the Health and Safety Code is  
2 amended to read:

3 39512.5. (a) With respect to the members appointed pursuant  
4 to subdivision (d) of Section 39510, those members shall serve  
5 without compensation but shall be reimbursed for actual and  
6 necessary expenses incurred in the performance of their duties to  
7 the extent that reimbursement for expenses is not otherwise  
8 provided or payable by another public agency or agencies. Each  
9 elected public official member of the state board shall receive one  
10 hundred dollars (\$100) for each day, or portion thereof, but not to  
11 exceed one thousand dollars (\$1,000) in any month, attending  
12 meetings of the state board or committees thereof, or upon  
13 authorization of the state board while on official business of the  
14 state board.

15 (b) Reimbursements made pursuant to subdivision (a) shall be  
16 made as follows:

17 (1) A member appointed from a district that is specifically  
18 named in subdivision (d) of Section 39510 shall be reimbursed by  
19 the district from which the person qualified for membership.

20 (2) The member appointed as a board member of a district that  
21 is not specifically named in subdivision (d) of Section 39510 shall  
22 be reimbursed by the state board.

23 SEC. 3. Section 6306 of the Public Resources Code is amended  
24 to read:

25 6306. (a) For purposes of this division, “local trustee of granted  
26 public trust lands” means a county, city, or district, including a  
27 water, sanitary, regional park, port, or harbor district, or any other  
28 local, political, or corporate subdivision that has been granted,  
29 conveyed, or transferred by statute, public trust lands, including  
30 tidelands, submerged lands, or the beds of navigable waters,  
31 through a legislative grant. A local trustee of granted public trust  
32 lands is a trustee of state lands.

33 (b) Notwithstanding any other law, every local trustee of granted  
34 public trust lands shall establish and maintain accounting  
35 procedures, in accordance with generally accepted accounting  
36 principles, providing accurate records of all revenues received  
37 from the trust lands and trust assets and of all expenditures of those  
38 revenues. If a trust grantee has several trust grants of adjacent lands  
39 and operates the granted lands as a single integrated entity,  
40 separation of accounting records for each trust grant is not required.

1 (c) All revenues received from trust lands and trust assets  
2 administered or collected by a local trustee of granted public trust  
3 lands shall be expended only for those uses and purposes consistent  
4 with the public trust for commerce, navigation, and fisheries, and  
5 the applicable statutory grant.

6 (d) All funds received or generated from trust lands or trust  
7 assets shall be segregated in separate accounts from nontrust  
8 received or generated funds.

9 (e) (1) Unless otherwise prescribed by an applicable statutory  
10 grant, on or before December 31 of each year, each local trustee  
11 of granted public trust lands shall file with the commission a  
12 detailed statement of all revenues and expenditures relating to its  
13 trust lands and trust assets, including obligations incurred but not  
14 yet paid, covering the fiscal year preceding submission of the  
15 statement.

16 (2) The statement shall be prepared in accordance with generally  
17 accepted accounting principles and may take the form of an annual  
18 audit prepared by or for the local trustee of granted public trust  
19 lands.

20 (3) (A) The detailed statement shall be submitted along with a  
21 standardized reporting form developed by the commission.

22 (B) The commission shall use an existing reporting form  
23 previously developed for purposes of this paragraph, if a finding  
24 is made by the commission that it is generally responsive to the  
25 needs of the commission as prescribed in this section. Alternatively,  
26 the commission may develop a reporting form that requires a local  
27 trustee of granted public lands to report on all of the following:

28 (i) A summary of all funds received or generated from trust  
29 lands or trust assets.

30 (ii) A summary of all spending of funds received or generated  
31 from trust lands or trust assets.

32 (iii) Any other disposition of funds received or generated from  
33 trust lands or trust assets or of the trust lands or trust assets  
34 themselves.

35 (iv) A description of the manner in which the statement required  
36 by this subdivision and accompanying the reporting form is  
37 organized.

38 (v) Any other information that the commission deems to be  
39 included in an accounting of granted public trust lands.

1 (C) The adoption of the form by the commission pursuant to  
2 this subdivision is the prescription of a form for purposes of  
3 subdivision (c) of Section 11340.9 of the Government Code.

4 (4) All forms and supporting statements submitted pursuant to  
5 this section shall be public records and be made available on the  
6 commission's Internet Web site.

7 (f) (1) The costs that may be incurred by a local trustee of  
8 granted public trust lands that result from any new duties imposed  
9 upon that trustee pursuant to Chapter 206 of the Statutes of 2012,  
10 including the requirement to submit a standardized reporting form  
11 required by paragraph (3) of subdivision (e), shall be paid from  
12 the revenues derived from its granted public trust lands and assets  
13 specified in subdivision (b).

14 (2) If the revenues derived from the granted public trust lands  
15 and assets specified in subdivision (b) are not sufficient to pay the  
16 costs for the duties specified in paragraph (1), the commission  
17 shall exempt the local trustee of granted public trust lands from  
18 performing those duties for which the revenues are not sufficient,  
19 or grant a deadline extension from the performance of those duties  
20 until sufficient funds are available.

21 ~~SEC. 4. Section 8750 of the Public Resources Code is amended~~  
22 ~~to read:~~

23 ~~8750. Unless the context requires otherwise, the following~~  
24 ~~definitions govern the construction of this division:~~

25 ~~(a) "Administrator" means the administrator for oil spill response~~  
26 ~~appointed by the Governor pursuant to Section 8670.4 of the~~  
27 ~~Government Code.~~

28 ~~(b) "Barges" means any vessel that carries oil in commercial~~  
29 ~~quantities as cargo but is not equipped with a means of~~  
30 ~~self-propulsion.~~

31 ~~(c) (1) "Best achievable protection" means the highest level of~~  
32 ~~protection that can be achieved through both the use of the best~~  
33 ~~achievable technology and those manpower levels, training~~  
34 ~~procedures, and operational methods that provide the greatest~~  
35 ~~degree of protection achievable. The administrator's determination~~  
36 ~~of best achievable protection shall be guided by the critical need~~  
37 ~~to protect valuable coastal resources and marine waters, while also~~  
38 ~~considering (A) the protection provided by the measures, (B) the~~  
39 ~~technological achievability of the measures, and (C) the cost of~~  
40 ~~the measures.~~

~~(2) It is not the intent of the Legislature that the administrator use a cost-benefit or cost-effectiveness analysis or any particular method of analysis in determining which measures to require. Instead, it is the intent of the Legislature that the administrator give reasonable consideration to the protection provided by the measures, the technological achievability of the measures, and the cost of the measures when establishing the requirements to provide the best achievable protection for coastal and marine resources.~~

~~(d) “Best achievable technology” means that technology that provides the greatest degree of protection taking into consideration (1) processes that are being developed, or could feasibly be developed anywhere in the world, given overall reasonable expenditures on research and development, and (2) processes that are currently in use anywhere in the world. In determining what is best achievable technology, the administrator shall consider the effectiveness and engineering feasibility of the technology.~~

~~(e) “Commission” means the State Lands Commission.~~

~~(f) “Local government” means any chartered or general law city, chartered or general law county, or any city and county.~~

~~(g) “Marine facility” means any facility of any kind, other than a vessel, that is or was used for the purposes of exploring for, drilling for, producing, storing, handling, transferring, processing, refining, or transporting oil and is located in marine waters, or is located where a discharge could impact marine waters unless the facility (1) is subject to Chapter 6.67 (commencing with Section 25270) or Chapter 6.75 (commencing with Section 25299.10) of Division 20 of the Health and Safety Code or (2) is placed on a farm, nursery, logging site, or construction site and does not exceed 20,000 gallons in a single storage tank. For purposes of this division, a drill ship, semisubmersible drilling platform, jack-up type drilling rig, or any other floating or temporary drilling platform is a “marine facility.” For purposes of this division, a small craft refueling dock is not a “marine facility.”~~

~~(h) “Marine terminal” means any marine facility used for transferring oil to or from tankers or barges. For purposes of this section, a marine terminal includes all piping not integrally connected to a tank facility as defined in subdivision (n) of Section 25270.2 of the Health and Safety Code.~~



1 (i) ~~“Marine waters” means those waters subject to tidal influence~~  
2 ~~and includes waterways used for waterborne commercial vessel~~  
3 ~~traffic to the Port of Sacramento and the Port of Stockton.~~

4 (j) ~~“Nonpersistent oil” means a petroleum-based oil, such as~~  
5 ~~gasoline, diesel, or jet fuel, that evaporates relatively quickly.~~  
6 ~~Specifically, it is an oil with hydrocarbon fractions, at least 50~~  
7 ~~percent of which, by volume, distills at a temperature of 645~~  
8 ~~degrees Fahrenheit, and at least 95 percent of which, by volume,~~  
9 ~~distills at a temperature of 700 degrees Fahrenheit.~~

10 (k) ~~“Oil” means any kind of petroleum, liquid hydrocarbons,~~  
11 ~~or petroleum products or any fraction or residues therefrom,~~  
12 ~~including, but not limited to, crude oil, bunker fuel, gasoline, diesel~~  
13 ~~fuel, aviation fuel, oil sludge, oil refuse, oil mixed with waste, and~~  
14 ~~liquid distillates from unprocessed natural gas.~~

15 (l) ~~“Onshore facility” means any facility of any kind that is~~  
16 ~~located entirely on lands not covered by marine waters.~~

17 (m) ~~“Operator” when used in connection with vessels, marine~~  
18 ~~terminals, pipelines, or facilities, means any person or entity that~~  
19 ~~owns, has an ownership interest in, charters, leases, rents, operates,~~  
20 ~~participates in the operation of or uses that vessel, terminal,~~  
21 ~~pipeline, or facility. “Operator” does not include any entity that~~  
22 ~~owns the land underlying the facility or the facility itself, where~~  
23 ~~the entity is not involved in the operations of the facility.~~

24 (n) ~~“Person” means an individual, trust, firm, joint stock~~  
25 ~~company, or corporation, including, but not limited to, a~~  
26 ~~government corporation, partnership, limited liability company,~~  
27 ~~and association. “Person” also includes any city, county, city and~~  
28 ~~county, district, and the state or any department or agency thereof,~~  
29 ~~and the federal government, or any department or agency thereof,~~  
30 ~~to the extent permitted by law.~~

31 (o) ~~“Pipeline” means any pipeline used at any time to transport~~  
32 ~~oil.~~

33 (p) ~~“Responsible party” or “party responsible” means either of~~  
34 ~~the following:~~

35 (1) ~~The owner or transporter of oil or a person or entity accepting~~  
36 ~~responsibility for the oil.~~

37 (2) ~~The owner, operator, or lessee of, or person who charters~~  
38 ~~by demise, any vessel or marine facility or a person or entity~~  
39 ~~accepting responsibility for the vessel or marine facility.~~

1 (q) “Small craft refueling dock” means a fixed facility having  
2 tank storage capacity not exceeding 20,000 gallons in any single  
3 storage tank and that dispenses nonpersistent oil to small craft.

4 (r) “Spill” or “discharge” means any release of at least one barrel  
5 (42 gallons) of oil not authorized by any federal, state, or local  
6 government entity.

7 (s) “State oil spill contingency plan” means the California oil  
8 spill contingency plan prepared pursuant to Article 3.5  
9 (commencing with Section 8574.1) of Chapter 7 of Division 1 of  
10 Title 2 of the Government Code.

11 (t) “Tanker” means any self-propelled, waterborne vessel,  
12 constructed or adapted for the carriage of oil in bulk or in  
13 commercial quantities as cargo.

14 (u) “Vessel” means a tanker or barge as defined in this section.  
15 ~~SEC. 5.~~

16 *SEC. 4.* Section 48020 of the Public Resources Code is  
17 amended to read:

18 48020. (a) For purposes of this article, the following terms  
19 have the following meaning:

20 (1) “Codisposal site” means a hazardous substance release site  
21 listed pursuant to Section 25356 of the Health and Safety Code,  
22 where the disposal of hazardous substances, hazardous waste, and  
23 solid waste has occurred.

24 (2) “Trust fund” means the Solid Waste Disposal Site Cleanup  
25 Trust Fund created pursuant to Section 48027.

26 (b) (1) The department shall, on January 1, 1994, initiate a  
27 program for the cleanup of solid waste disposal sites and for the  
28 cleanup of solid waste at codisposal sites where the responsible  
29 party either cannot be identified or is unable or unwilling to pay  
30 for timely remediation, and where cleanup is needed to protect  
31 public health and safety or the environment.

32 (2) Notwithstanding subdivision (c) of Section 40192, for  
33 purposes of this article solid waste disposal sites may include sites  
34 located in waters of the state.

35 (c) The department shall not expend more than 5 percent of the  
36 funds appropriated for the purpose of the program by a statute  
37 other than the Budget Act to administer that program, unless a  
38 different amount is otherwise appropriated to administer the  
39 program in the annual Budget Act. If a different amount is  
40 appropriated to administer the program in the annual Budget Act,

1 it shall be set forth in a separate line item. All remaining funds  
2 appropriated for the purposes of the program shall be expended  
3 on direct cleanup pursuant to subdivision (b) or emergency actions  
4 at solid waste facilities, disposal sites, sites involving solid waste  
5 handling, and for solid waste at codisposal sites.

6 ~~SEC. 6.~~

7 *SEC. 5.* Section 1 of Chapter 321 of the Statutes of 1961 is  
8 amended to read:

9 Section 1. There is hereby granted to the County of Orange  
10 and to its successors all of the right, title and interest of the State  
11 of California held by the state by virtue of its sovereignty in and  
12 to all that portion of the tidelands and submerged lands of the  
13 Pacific Ocean within the County of Orange, State of California,  
14 in the following area:

15 Commencing at the intersection of the westerly line of fractional  
16 Section 22, Township 8 South, Range 8 West, San Bernardino  
17 Base and Meridian with the line of Mean High Tide of the Pacific  
18 Ocean from which point said westerly Section line bears North 0°  
19 07' East; thence South 45° 00' East to the point of intersection with  
20 a line parallel to and five thousand seven hundred and fifty feet  
21 (5,750 ft.) southerly of the northerly line of said fractional Section  
22 22; thence easterly along said last mentioned parallel line, 5,750  
23 feet southerly of the northerly line of Section 22, and the easterly  
24 prolongation of said parallel line to the point of intersection with  
25 a meridian line passing through the intersection of the westerly  
26 line of Rancho Boca de la Playa as said line is established and  
27 shown on a map recorded in Book 4, Pages 118 and 119 of Patents,  
28 Records of Los Angeles County, June 29, 1887, and the line of  
29 Mean High Tide of the Pacific Ocean; thence northerly along said  
30 meridian line to the intersection with the line of Mean High Tide  
31 of the Pacific Ocean; thence westerly along said line of Mean High  
32 Tide to the point of beginning, the same to be forever held by the  
33 county and by its successors in trust for the uses and purposes and  
34 upon the express conditions following, to wit:

35 (a) That these lands shall be used by the county, and its  
36 successors, only for the establishment, ~~improvement~~ *improvement*,  
37 and conduct of a harbor, and for the construction, maintenance,  
38 and operation thereon of wharves, docks, piers, slips, quays, and  
39 other utilities, structures, facilities, and appliances necessary or  
40 convenient for the promotion and accommodation of commerce

1 and navigation, and for recreational use, public park, parking,  
2 highway, playground, and business incidental thereto; and the  
3 county, or its successors, shall not, at any time, grant, convey,  
4 give, or alien these lands, or any part thereof, to any individual,  
5 ~~firm~~ firm, or corporation for any purposes whatever; provided, that  
6 the county, or its successors, may grant franchises thereon for  
7 limited periods (but in no event exceeding 50 years), for wharves  
8 and other public uses and purposes and may lease these lands, or  
9 any part thereof, for limited periods (but in no event exceeding 50  
10 years), for purposes consistent with the trust upon which these  
11 lands are held by the State of California, and with the requirements  
12 of commerce and navigation at the harbor, and collect and retain  
13 rents from these leases.

14 (b) That these lands shall be improved by the county without  
15 expense to the state, and shall always remain available for public  
16 use for all purposes of commerce and navigation, and the State of  
17 California shall have at all times, the right to use, without charge,  
18 all wharves, docks, piers, slips, quays, and other improvements  
19 and facilities constructed on these lands, or any part thereof, for  
20 any vessel or other water or aircraft, or railroad, owned or operated  
21 by the State of California.

22 (c) That in the management, conduct, or operation of the harbor,  
23 or of any of the utilities, structures, appliances, or facilities  
24 mentioned in subdivision (a), no discrimination in rates, tolls, or  
25 charges or in facilities for any use or service in connection  
26 therewith shall ever be made, authorized, or permitted by the  
27 county or its successors.

28 (d) There is hereby reserved, however, in the people of the State  
29 of California the absolute right to fish in the waters of the harbor  
30 with the right of convenient access to the waters over these lands  
31 for these purposes.

32 (e) There is hereby excepted and reserved to the State of  
33 California all deposits of minerals, including oil and gas, in the  
34 land, and to the State of California, or persons authorized by the  
35 State of California, the right to prospect for, mine, and remove  
36 deposits from the land.

37 (f) The lands herein described are granted subject to the express  
38 reservation and condition that the state may at any time in the  
39 future use these lands or any portion thereof for highway purposes  
40 without compensation to the county, its successors or assigns, or

1 any person, firm, or public or private corporation claiming under  
2 it, except that in the event improvements have been placed upon  
3 the property taken by the state for these purposes, compensation  
4 shall be made to the person entitled thereto for the value of his or  
5 her interest in the improvements taken or the damages to the  
6 interest.

7 (g) That within 10 years from the effective date of this act these  
8 lands shall be substantially improved by the county without  
9 expense to the state, and if the State Lands Commission determines  
10 that the county has failed to improve these lands as herein required,  
11 all right, title, and interest of the county in and to all lands granted  
12 by this act shall cease and these lands shall revert and vest in the  
13 state.

14 (h) (1) That any funds derived from the management, conduct,  
15 or operation of the lands described in this section shall be used  
16 within the geographic boundary of the lands for purposes consistent  
17 with subdivision (a).

18 (2) Notwithstanding paragraph (1), funds derived from the  
19 management, conduct, or operation of these lands may also be  
20 expended on state-owned tidelands and submerged lands, outside  
21 the geographic boundary of these lands within the County of  
22 Orange and southeasterly of the southern city limits of the City of  
23 Laguna Beach, to fund the portion of the Dana Point Branch of  
24 the Orange County Harbor Patrol that provides direct protection  
25 for public health, safety, and security relating to navigation and  
26 other public trust uses on state-owned tidelands and submerged  
27 lands.

28 (i) (1) Notwithstanding subdivision (h), any funds derived from  
29 the management, conduct, or operation of the lands described in  
30 this section may be used to purchase, lease, or otherwise acquire  
31 real property necessary for or incidental to the development and  
32 operation of a harbor and that property shall be held as an asset of  
33 the trust and used for purposes consistent with the trust grant.

34 (2) If the real property that is proposed to be purchased, leased,  
35 or acquired is adjacent to the geographic boundary of the lands,  
36 the county, or its successors, shall give written notice of the  
37 proposed expenditure to the State Lands Commission at least 90  
38 days before purchasing, leasing, or acquiring the real property in  
39 excess of one hundred thousand dollars (\$100,000), but not more  
40 than five hundred thousand dollars (\$500,000). Expenditures in

1 excess of five hundred thousand dollars (\$500,000) for real  
2 property adjacent to the geographic boundary of those lands shall  
3 not be made unless the State Lands Commission approves the  
4 expenditure pursuant to Chapter 2 (commencing with Section  
5 6701) of Part 2 of Division 6 of the Public Resources Code. For  
6 the purpose of this subdivision, “adjacent” means adjoining or  
7 separated by a street or road.

8 (3) If the real property that is proposed to be purchased, leased,  
9 or acquired is not adjacent to the geographic boundary of the lands,  
10 the county, or its successors, shall give written notice of the  
11 proposed expenditure to the State Lands Commission at least 90  
12 days before purchasing, leasing, or acquiring the real property not  
13 to exceed fifty thousand dollars (\$50,000). Expenditures in excess  
14 of fifty thousand dollars (\$50,000) for real property not adjacent  
15 to the geographic boundary of those lands may not be made unless  
16 the State Lands Commission approves the expenditure pursuant  
17 to Chapter 2 (commencing with Section 6701) of Part 2 of Division  
18 6 of the Public Resources Code.

19 (4) The notice required in paragraphs (2) and (3) shall include  
20 the total proposed expenditure from the tideland’s trust, the location  
21 of the real property, the purpose of the purchase, acquisition, or  
22 lease, and an explanation of how the purchase, acquisition, or lease  
23 is consistent with the terms of the trust grant.

24 ~~SEC. 7. No reimbursement is required by this act pursuant to~~  
25 ~~Section 6 of Article XIII B of the California Constitution because~~  
26 ~~the only costs that may be incurred by a local agency or school~~  
27 ~~district will be incurred because this act creates a new crime or~~  
28 ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
29 ~~for a crime or infraction, within the meaning of Section 17556 of~~  
30 ~~the Government Code, or changes the definition of a crime within~~  
31 ~~the meaning of Section 6 of Article XIII B of the California~~  
32 ~~Constitution.~~